GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:238
ANSWERED ON:08.08.2006
PRICES OF CEMENT
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the cement prices have been constantly rising in the country during the last three years and the current year;

(b) if so, the percentage increase in the cement prices during the said period along with the reasons therefor;

(c) whether the cement companies have agreed to sell cement at lower rates only to the Central agencies;

(d) if so, the reasons therefor; and

(e) the steps taken by the Government to control the prices of cement?

Answer

THE MINISTER OF COMMERCE & INDUSTRY (SHRI KAMAL NATH)

(a) & (b): Cement prices have increased since December, 2005 at varying rates across the country. The Cement manufacturers have cited increase in the input and transportation costs as reasons for the price increase.

(c) to (e): Government had urged cement manufacturers to rationalize cement prices. Responding to it, the Cement Manufacturers' Association gave an undertaking to maximize production and dispatch of cement; ensure that the retailers do not indulge in profiteering; bring in fresh investments to create additional capacities of 30-35 million tonnes in next 4-5 years; and supply cement on priority and at 5% discount on the ruling prices to the Central Government Departments.